General and Revenue Secretariat.

Part B for

SUBJECT

participation of Government in the profits of the prospecting licensees in respect of Manganese and Chrome in the State.

Final Order issued

vide / File No Genl 133 27

B.R.S murthy.
22/8/28

General and Revenue Secretariat.

Ged L File No. 143

Serial No.

Page 3 Ged 316 21 xii

Notes on the rates of royalty on manganese levied from time to time.

1) The notification of 4th Decr 1906 directed the levy of royalty at 6 annas per ton of manganese ore removed together with an additional sum at 2½ per cent on net profits when such net profits exceeded 10 per cent of the capital outlay.

2) This scale was modified by the rules of 29th October 1910 under which the royalty leviable was 6 annas per ton when the market rate did not exceed 9 per unit an additional roylaty of one anna per ton being leviable on each increase of ½d or portio thereof in the market rate per unit. This was amended on 12th July 1912 and the following scale adopted

(1) Royalty to be paid quarterly;

(2) On all ore despatched during any quarter the royalty was to be paid within 30 days of the close of the quarter and was to be calculated on the average market rate (in London) for 50 per cent ore during the quarter in accordance with the following scale.

Average market rate per unit for 50% ore	Royalty.
9d and under	(one) anna per ton
Over 9d and up to 10d	Two annas per ton.
For each additional 1d per unit or portion there of.	An additional two annas per ton.

3) In the year 1916 the Director of Geology reported to Government that owing to the war conditions freights on which market rate depended had gone up very high and that therefore roylaty at th then prevailing rules had gone up to an impossible

Serial No.

point
extent and suggested that royalty might be fixed at 5 per cent of the sum valued on the mining block convertable annually or for a fixed term at the option of Government into an approximate equivalent charge per ton or other unit of measure and subject to the following minimum charges

Manganese-5 per cent on sale value subject to a minimum of 8 annas per ton.

Ores containing not more than 44 per cent of manganese on production of satisfactory certificate of grades of shipments 4 annas per ton.

4) Government agreed that a revision was called for but not to raise the minimum rates to 10 annas and 6 annas per ton respectively in the interests of royalty revenue. This was to be in force for two years

5) Sometime before the close of this period proposals for fixing the rates were called from the Director of Geology who opined that on account of the conditions created by the War the question of any permanent modification of the rules may lie over the termination of the War; but the rate for chrome be raised to Re.1/- etc. Government agreeing with this view passed orders on 10th August 1918 that the rates for manganese fixed in 1916 may continue for 1918-19 also.

6) In 1920 the question of increasing the rates of royalty was again taken up and proposals called for from Dr. Smeeth and Mr. Jayaram. The former recommended that the then existing minimum rates might be increased by about 50 per cent, the rebates

Serial No.

being granted in cases of hardship while the latter suggested that as there was some keenness in regard to exploitation of manganese the royalty thereon might be fixed at Rs.1-4-0 per ton for the higher grade ore and 12 annas per ton for ore containing not more than 44 per cent manganese. Mr. Jayaram's suggestion was accepted and the rates raised accordingly in the G.O. of 2nd Novr. 1920

7) The question of further increase was considered in 1922 but the Director having reported that there were no grounds then for an increase, The matter was dropped.

8) The United Steel Companies having applied to their the Director in letter of the 13th July 1922, for the reduction in the rates of royalty payable in respect of the leases ~~held by them and leases~~ grated to them before the rates were doubled the Director having reported that no reduction was justifiable in view of the fact that the revised rates were double those contained against the Companies ~~articles~~ was rejected. (Req dt)

9) Orders ~~have since~~ were recently issued partially relaxing the restrictions placed on the exploitation of manganese and called for applications for prospecting licenses for manganese subject to certain conditions the most important being that in addition to the prescribed royalty ~~and for this~~ the licensees should pay to Government not less than 25 per cent of the profits from the business. In response to the above Offers have been received and they are separately under consideration.

Serial No.

The United Steel Companies have applied for Calcutta prospecting licenses for manganese under the old rules & have claimed exemption from the payment of 25 per cent of the profits as to Government necessary by the recent order and the file has been separately submitted for orders

10) The existing rates of royalty viz., Rs 1-4-0 per ton for manganese where above 44 per cent and above and 12 annas per ton of manganese of 44 per cent and below were not intended to be permanent. The sliding scale fixed in 1912 was abandoned in 1916 and fixed rates prescribed for the two different grades of ore on the report of the Director that the prices had gone up very high & the Now that the abnormal conditions connected with the War are no longer in existence it is for consideration why the question of suitably increasing the rates of royalty may not be considered.

Sliding Scale worked as a hardship.

11) It is understood that the ore removed and exported by the United Steel Companies Ltd., is mainly, if not solely, of the second grade i.e 44 per cent and below. On this Government are getting a royalty of only 12 annas per ton if the scale prescribed in 1912 is to be restored again we would be getting a royalty of Rs.2/- per ton. (The price per unit of 50 per cent manganese ore is 25d per statement on page 4 of the Director's letter dated 21st June 1924 to the Second Member of Council. At the rate of 2 annas for the first 10d and Rs.1-14-0 for the additional 15d the total amount of royalty per ton would be Rs.2/-)

Flag A through trade Circles have also brought forward this point for some years

Flag B

Flag R

NOTE—Contn. Sheet

General and Revenue Secretariat. | File No. | of 19

Serial No.

12) It may be said that this rate is based on the price of 50 per cent ore while the ore thus exported by the United Steel Companies Ltd., is only below 40 percent and therefore the calculation according to the scale of 1912 is not fair; but from the note on manganese ores by Mr. A. H Curtes A.,(Lond.) F.G.S. 1919 page 6 it will be seen that the differences in the prices of the several grades of ore are very slight being about

It cannot therefore be said that the adoption of the market rate 50 per cent ore would result in hardship. The rate of 1½d per unit of 44 per cent given by Mr Valentine vide page 7 of the Director's letter to the Second Member of Council seems to be very low and probably incorrect. The United Steel Companies seem to be exploiting only the lower grade ores and does not appear to be advantageous to the State to allow only this grade to be removed in large quantities at the existing low rates.

fair to Government.

Serial No.

SNR 16/1

14) The above work has been put up by the Assistant Secretary at my instance & shows several interesting facts 1) The levy of wharfage at least a portion of it - in the form of a percentage on net-weights is just new. 2) The whole question of shipping conditions has made it necessary to continue the existing terms of wharfage which were adopted in view of the dislocations caused by the war. 3) Since the adoption of separate rates of wharfage for superior & inferior ore shipments have been mostly of low grade ore 4) If the orders of 1918 were in force now the wharfage would have been Rs 2/ per ton whereas it is now Rs 1/4 in respect of superior ore, & 12 as the inferior

General and Revenue Secretariat.

File No. 145 of 19

Serial No.

269
15.1

18) Extract of members minute on file for reference re grant of P. Licenses to the U. S Company

These general questions may be dealt with separately. The file relating to it may be separated & subd

Offg H.R.S.
23/11/25.

Serial No.

19) Subd for orders.
23/11/25 — (Rev Subd)

11 Mar

File re grant of prosp. & P. licenses to the U S Co. ... linked with this ... is separated & the ... present.
23/11/25

Offg
28/11
Reg 2

135
42

20) As I have observed already the question of reviewing the present rates & royalty on manganese ore should not be considered at the same time as other questions relating to the system of the concessions & for which proper notice should be given

21) This may be considered after I return from my tour — viz in March

Secy to Govt

32

Secy to Govt
1 March

Re-revision of scales of pay 1924 B193

General and Revenue Secretariat. | File No. 14 5 of 19 24

Serial No.	
23	Asked audit office to provide 20 & 22
	22/6/26 Sub of proposal & agenda to Rev Mtg
I.C. 601	Paras 20 & 21 Rev Mtg 1/7/26
64 4.6	

MR 1/6 JE 3/6 MR 4/6

It is now to some to justify the reasons which have led to proposals of this kind. Reasons will also be necessary for the two Branches of the Service.

The case may be submitted to Government at the end of December next. [illegible] to [illegible] the case should be submitted together with the views of the Revenue Board

dy 15/6

A. Pant will draft 16/6

MR 16/6

Agreed to 30/6/26 Rev Mtg

Agreed MR 17/6

Bom MR 22/6

NOTE—Contn. Sheet

W 331

G.R.S. III-2] Genl File No. of 19 24 General and Revenue Secretariat

To

Sl 1) The Director of Genl.
D.O. 8519 dt 21/6/25.
Requests him to submit a report on the working of the Recent orders of Govt. for participation of Govt. in the profits of leases in addition to the normal Royalty & Assessment Charges.

GEN. & REV. SECRETARIAT
25 JUN 1925
INDUSTRIES & COMMERCE BRANCH.

Sl. 2 ~~Genl.~~ To the Dir. of Genl
D.O. No. S. 210 dt 7.7.25
Calls for additional report in the matter of ascertaining the exact quantities of ore mined & of determining the royalty to be paid by the licensees

vide p. 14

Sl. 3 From the Dir. Genl
No. 9741 dt 15.7.25
Submits a report on the working of the recent orders of Govt. regarding the participation of Govt in the profits of the licensees & lessees.

vide p. 15

Subd for perusal - A sheet note has been put up in the linked file -

Rev Sec

16/7/25

I0474

(11)

REPLY

(*To be written on this margin.*)

612/11

Office of the Dewan of Mysore.

NOTE.

Dated...11th..June....1.....1925 .

The Dewan will be glad if the file re: Chrome licenses under the revised rules of 25 per cent, and returns, if any, of profits made, be kindly sent up for his information early.

By order,

Private Secretary to the Dewan.

DEWAN'S OFFICE.
15. JUN 1925
Inward No. 9284

The Revenue Secretary to Govt.,

with compliments,

Chrome Licenses 6121

Chrome

G. R. S. III—3]

ROUTINE NOTES

[To be used only for notes, requisitions, etc., not intended for permanent record.]

(1) Geol. 73-23-1 Feb 1924
Concessions for starting a company for the export of Manganese Chrome

(2) Geol. 79-23 1 March 1924
Grant of prospecting licenses to Mr. C. W. Schomburg for Chrome & Magnesite

(3) Geol. 73-23. 3, 8, 13. April 1924
Suggestions of the Director of I&C for the grant of prospecting licenses for Chrome

(4) Geol. 73-23. 6, 7, 10, 11. April 1924
List of applications for Chrome ore since the withdrawal of its reservation

(5) Geol. 73-23. 2, 4, 5, 12, 15, 16 May 1924
Grant of prospecting licenses for Chrome

(6) Geol 99 23 1, 6 Oct. 24
Prospecting license to Mr. Burr for chrome

(7) Geol. 47-23: 5-7. Oct 24
Prospecting license to Mr. Pallagatti Adavappa.

(8) Geol. 88-23. 1, 3-11. Oct. 24
Prospecting licenses to Mrs. Khani Begum of Doddakatur

(9) Geol. 93-23. 1, 2. Oct. 1924
Prospecting licens to Mr Sripada Rao

(10) Geol. 73-23 - April 1925
Office notes re: disposal of

The file re Subn of accounts by Mr Schomburg showing the nett profits obtained by him also that relating to the propers report of work done by licensees are subd

The marginally noted Collections relating to the grant of licenses for Chrome are also put up for reference

12.6.25 The further report of the Dir is awaited regarding the accounts to be submitted by Mr Schomburg shewing the nett profit obtained by him & the percentage payable to Govt

Rev Sec

12/6

Note.—If routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

Serial No

Dewans minute in p. 1

Information on the following points may be given

(1) Is not the licence from year to year or for three years

(2) Quantities of ore hitherto exported

(Sd) A.R.B.

13-6-25

A.S.

Note above. Also call for up-to-date information by D.O

Bring up with draft.

(Sd) K.V.A

15/6/25

(Sd) V.V.

15/6/25

Re (1) Licence is ~~renewable~~ from year to year on application of the licensee, for a period not exceeding 3 years. (cl. 1 of G.O.)

(2) Instructions on this point have been issued to the Dist of Salem, & a copy has also been forwarded to the Dist. of Madura

It is a point for orders whether another D.O. is necessary.

18/6/25

Supt of Annual - Dist of Madura will again be asked to state how the quantities of ore are being ascertained now

Rev Dept

Dewan

22/6

20/6

G.O. No. 5746-57 dt 26/2/26 Revt 73-23-1 L

N

DEWAN'S OFFICE. RECD. ON 22 JUN 1925 Regd. No 9423.

General and Revenue Secretariat.

Gen'l File No.

Serial No

Annexed

Following replies received on above file from the Branch Early above

Please see 3-)
at once 8th
4.7
WP

Please run the file D.O. 6/7

G.R.S. III-2]

331-26

File No. of 19 C/

Serial No.

Q. 3 → [illegible] Govt [illegible] -/2 [illegible] 25

Submits a report [illegible] with [illegible] of the recent orders of Govt regarding the participation of Govt in the profits after licensees & lessees

Submitted for perusal A Secretariat note has been put up on the linked file

KW 16/7

Dr Thomas 14/7/27

15/7/27

A important point of 0-10-0 per cwt a miscarriage irrespective of the grade of ore has been ordered to be levied and final orders issued -. (Vide GOR. 133-27-4)

These papers may therefore be recorded.

MG 1577/28 VS Record

MG

App.F.VI G1.]

SUBJECT .....

.....

.....

Section Genl

File No. 145-24

Serial No. Gl. 1

Diary No. of letter replied to .....

No. I.C. 8519

General and Revenue Secretariat

( )

the *192*

To The Dcr of Genl

Date of issue 27/4/25

Signed by W.V. Obeyesekere

Sir

I am directed to request you to submit a report on the working of the present system of orders of Govt re the participation of Govt in the profits of lessees in addition to the present rental and royalty and the proposed increase.

I have the honour to be Sir Your obedient servant

Sgd W.V. Obeyesekere

for Government Agent

Western Province

1) Number and date

2) Name of licensee

3) Name of village

4) Area in acres

5) Rent paid

6) Royalty paid

7) Share of profits paid

8) Remarks

List of enclosures .....

Copied by .....

Examined by .....

MP 1726

Govt Agent Western Province

over

Rev - Dept

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to

General and Revenue Secretariat

( )

, the *191*

Date of issue

Signed by

Section Geol

File No. 145-24

Serial No. 2

No. [illegible]

B. Jayaram Esqr. F.G.S
Dir of Geology

To

Dear Sir,

I am desired to invite your immediate attention to this Office Letter No. IC 8579.D.22 dated June 1925 calling for a full report on the working of the recent orders of Govt re. the participation of Govt in the profits of the licensees in respect of manganese (profits) chrome in the State —

The detailed information in respect of certain specific points mentioned therein, should be submitted for the

over.

information of Govt without any delay.

I am also to request you to kindly intimate how you ascertain the quantities of ore mined and of that actually sold (with the sale proceeds) by the licensees so as to determine the royalty and the profit payable by them to Govt under the recent orders of Govt ~~to this effect~~ and the action you ~~contemplate~~ ~~the~~ Govt ~~to~~ ~~this~~ ~~effect~~ ~~and~~ ~~the~~ ~~Govt~~ ~~orders~~ ~~regularly~~

Yours faithfully

7/7

Serial No.

Note on the rates of royalty on manganese levied from time to time.

Page 5 Geol.File 21 or 22

The notification of 4th Decr. 1906 directed the levy of royalty at 6 annas per ton of manganes ore removed together with an additional sum at 2½ per cent on net profits when such net profits exceed ed 10 per cent of the capital outlay.

This scale was modified by the rules of 29th October 1910 under which the roylaty leviable was 6 annas per ton when the market rate did not exceed 9 per cent, anadditional royalty of one anna per ton being leviable on each increase of ½d or portion thereof in the market rate per unit. This was amended on 12th July 1912 and the following scale adopted:-

(1) Royalty to be paid quarterly;

(2) On all ore despatched during any quarter the royalty was to be paid within 30 days of the close of the quarter and was to be calculated on the average market rate (in London) for 50 per cent ore during the quarter in accordance with the following scale.

Average market rate per unit for 50% ore.	Royalty.
9d and under	One anna per ton.
Over 9d and up to 10d	Two annas per ton.
For each additional 1d per unit or portion thereof	An additional two annas per ton.

In the year 1916 the Director of Geology reported to Government that owing to the War conditions freights on which market rate depended, had gone up very high and that therefore royalty at the

NOTE—Contn. Sheet

Serial No.

then prevailing rules had gone up to an impossible point and suggested that royalty might be fixed at 5 per cent of the sum valued on the mining block convertable annually or for a fixed term at the option of Government into an approximate equivalent charge per ton or other unit of measure and subject to the following minimum charges:-

Flag G.

Manganese - 5 per cent on sale value subject to a minimum of 8 annas per ton.

Ores containing not more than 44 per cent of manganese on production of statisfactory certificate of grades of shipments 4 annas per ton.

Government agreed that a revision was called for but raised the minimum rates to 10 annas and 6 annas per ton respectively in the interests of royalty revenue. This was to be in force for two year.

Sometime before the close of this period proposals for fixing the rates were called from the Director of Geology who opined that on account of the conditions created by the war the question of any permanent modification of the rules may lie over till the termination of the war but that the rate for chrome be raised to Re. 1/- etc Government agreeing with this view passed orders on 10th August 1918 that the rates for manganese fixed in 1916 may continue for 1918-19.

In 1920 the question of increasing the rates of royalty was again taken up and proposals called for from Dr. Smeath and Mr. Jayaram. The former recommended that the then existing minimum

Serial No.

rates might be increased by about 50 per cent, the rebates being granted in cases of hardship while the latter suggested that as there was some keenness in regard to exploitation of manganese the royalty thereon might be fixed at Rs.1-4-0 per ton for the higher grade ore and 12 annas per ton for ore containing not more than 44 per cent manganese. Mr. Jayaram's suggestion was accepted and the rates raised accordingly in the G.O of 2nd November 1920.

The question of a further increase was considered in 1922 but the Director having reported that there were not grounds then for an increase, the matter was dropped.

The United Steel Company having applied to the Director in their letter of the 13th July 1922, for a reduction in the rates of royalty payable in respect of the leases granted to them before the rates were doubled. the Director reported that no reduction was justifiable in view of the fact that the revised rates were double those complained against. The Company's request was rejected. (Flag D)

Orders were recently issued partially relaxing the restrictions placed on the exploitation of manganese and calling for applications for prospecting licenses for manganese subject certain condition, the most important being that in addition to the prescribed royalty and for this the licensees should pay to Govt. not less than 25 per cent of the profits from the business. Offers have been received in response to the above and they are separately under consideration.

The United Steel Companies have applied for

certain prospecting licenses for manganese under the old rules and have claimed exemption from the payment of 25 per cent of the profits to Government according to the recent order and the file has been separately submitted for orders.

Serial No.

With 2nd Me

The existing rates of royalty viz., Rs.1-4-0 per ton for manganese which is above 44 per cent and 12 annas per ton of manganese of 44 per cent and below were not intended to be permanent. The sliding scale fixed in 1912 was abandoned in 1916 and fixed rates prescribed for the two different grades of ore on the report of the Director that the freights had gone up very high and the sliding scale worked as a hardship. Now that the abnormal conditions connected with the war are no longer in existence it is for consideration why the question of suitably increasing the rates of royalty need not be considered.

It is understood that the ore removed and exported by the United Steel Companies Ltd., is mainly, if not solely, of the second grade i.e, 44 per cent and below. On this Government are getting a royalty of only 12 annas ~~xxxx~~ per ton though trade conditions have improved and prices have gone up. If the scale prescribed in 1912 is to be restored again we would be getting a royalty of Rs.2/- per ton.(The price per unit of 50 per cent manganese ore is 2sh as per statement on page of the Director's letter dated 21st June 1924 to the Second Member of Council. At the rate of 2 annas for the first 10d and Rs 1-14-0 for the additional 15d. the total amount of royalty per ton would be

Rs.2/-).

Serial No.

It may be said that this rate is based on the price of 50 per cent ore while the ore thus export by the United Steel Companies Ltd., is only below 40 per cent and therefore the calculation from the note on manganese ores by Mr. A. F. Curtes B A.(Lo F.G.S. 1919, page 6, it will be seen that the differences in the prices of the several grades of ore are very slight being about ½d. It cannot therefore be said that the adoption of the market rate 50 per cent ore would result in hardship. The rate of 14a. per unit or 44 per cent given by Mr. Valentine (vide page 7 of the Director's letter to the Second Members or Council seems to be very low and probably incorrect.

The United Steel Companies seem to be exploiting only the lower grade ores and this does not appear to be advantageous to the State to allow only this grade to be removed in large quantities at the existing low rates. The ore may as well remain where it is instead of being taken away at such low rate.

In the above ~~circumstances~~ circumstances and in view of the high prices for the manganese ore now prevailing and the absence of war conditions such high freightage etc., it seems only fair that the State should claim something more than the present rates of royalty. Instead of increasing the rates of royalty Government have decided to take 25 per cent of the profits and the circumstances referred to above seem to justify the course. The contention of the United Steel Companies that licenses may be granted according to the old rules does not seem to fair to Government.

Copy of Contract.

We have this day sold you, subject to the under-
ned conditions, the following:-

QUANTITY. 6,000 (Six Thousand) tons, of 20 Cwts. 10% more or less.

DESCRIPTION. Indian Manganese ore, 40% to 48%.

40% to 43%	9 annas	per	unit	per	ton.
43% to 46%	10 "	"	"	"	"
46% to 48%	12 "	"	"	"	"
48% and over.	1 Rupee	per	unit	per	ton.

Delivered F.O.B. Mormugao.

Phosphorus contents to be 0.12% maximum.
Silica. " " " 6.00% maximum.
Iron. " " "14.00% maximum.

The buyers have option to reject any parcel or cargo below 40% but the price of such ore as may turn out to be below 40% to be mutually fixed. Analysis at 212 Fahrenheit.

If the ore contains above 9.12% Phosphorus, an allowance of half an anna per ton to be to buyers for every 0.01% above 0.12% Phosphorus to a limit of 0.20%.

From Indian port (Mormugao) as follows:-

2000 tons end of April 1924.
2000 tons end of May, 1924.
2000 tons end of June, 1924.

Seven days-of grace to be allowed in case of transport difficulties in accordance with the remarks unde paragraph "Exceptions

At buyer's cost at port of arrival and during discharge. Moisture to be deducted from the weight delivered.

Steamer's weight certificate to be taken as final and as basis for final invoice.

By buyer's and Seller's representatives contradictorily in Mormugao who shall fix the moisture on discharge of the ore at Mormugao- Analysis cost to b paid half and half by buyers and sellers respectively

Final analysis shall be made by Messrs. Pattinson and Stead of Middlesborough, whose results shall be final The cost of such analysis to be paid by buyers and sellers half and half.

A provisional credit to be opened by buyers in favour of the sellers, on the basis of 40% Manganese, the ~~xxx~~ terms of this credit to be that it is negotiable only

If the parcel of ore turns out to be at least 40% manganese minimum.

The Sellers to be paid advance of 50% as soon as the complete lot of 2000 tons is stacked at the port of loading and analysed, and further 30% after knowing the result of the analysis, provided such results are confirmatory to the terms of contract herein. As to the balance the final invoice to be made up as soon as the outturn and analysis results have been received, after the cargo arrives at port of destination and final analysis taken, and any balance due shall be settled within seven days from the date of such final invoice.

In case of loss at sea the contract shall be cancelled for the parcel that is lost. Should the buyers already be in possession of the documents when such loss becomes known, they shall then pay the remaining 20% of the provisional invoice amount forthwith. The contract is to be void as regards any portion thereof, shoul shipment or delivery be prevented by embargo, hostilities, prohibition of export or blockade.

Should the shipment of the ore under this contra t or any part thereof be delayed or prevented by short supply of railway wagons, accidents, strikes, lockouts, or by any other occurrence beyond sellers control, either at the mines or in transit, whether by rail or otherwise, to the place of storage or before shipment at the port of shipment, the sellers shall be entitled to an extension of so much time for shipment as may be necessary or prope until the consequences of the above mentioned caues or delay or prevention or any of ther shall have ceased. Shippers to give buyers telegraphic notice should there be a delay caused by any of the aforesaid causes.

In case of any difference, the matter in dispute shall be settled by arbitration in London, eachparty appointing one arbitrator. If such arbitrators cannot agree the shall appoint an umpire whose decision shall be final. Such arbitrators and/or umpire must be mercahnts engaged in the Ore or Metal trade or be Members of the Baltic.

S/d. M. Venkatachelam Pillay.
Contractor, Ittigegud, Mysore.

S/d. American Importing Co.
S/d.
Jt.Partner.

02748

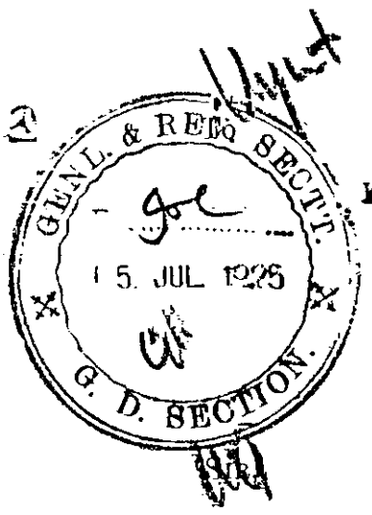
Geol-145-24-3

M. G. D. 12]

Dated Bangalore, 15th July 1925

From

B. JAYARAM, Esquire, F.G.S.,
Director, Mysore Geological Department.



To

M. V. Anantaraman, Esquire, B.A.,
Secretary to the Government of His Highness
the Maharaja of Mysore,
Revenue Department.

(1) With reference to your letter No.I.C.8519/Geol., dated 22nd June 1925, calling for a report on the working of the recent orders of the Government regarding the participation of Government in the profits of the lessees and licensees, I beg to furnish the available information on each of the points noted therein

1. Number of licenses for Chrome blocks granted under new rules.

The details of blocks in respect of which licenses for chrome ore were sanctioned are

(1) Tallur Block-one square mile in Mysore Taluk to Mr.C.W. Schomburg, to whom license No.632 with effect from 11th April 1924, has been granted.

(2) Waddarpalya Block-4 square miles in Mysore Taluk to Mr. Schomburg, to whom license No.633 with effect from 11th April 1924, has been granted.

(3) 4 square miles Block in Arsikere Taluk to Mr.J. Burr, to whom license No.637 with effect from 25th November 1924, has been granted.

(4) One square mile Block in Arsikere Taluk to Mr.J. Burr, to whom license No.638 with effect from 25th November 1924, has been granted.

(5) Veerapur-Bhandra Block 4 square miles in Tarikere Taluk

to Mr. Pallagatti Adavappa to whom license No.639 with effect from 1st January 1925, has been granted.

(6) 4 square miles Block in Tarikere and Holalkere Taluks to Mr.B. Sripada Rao, to whom license No.641 with effect from 24th March 1925 has been granted.

(7) 3 square miles Block in Mysore Taluk to Mr.C.B.Desai, As the deposit and fee were not paid as demanded the sanction was revoked and the application cancelled.

(8) Gajagatta Block of 4 square miles in Tarikere Taluk to Mr.Pallagatti Adavappa. The license is under issue as the full amount of rent due thereon has been paid recently.

2. Number of licenses for manganese blocks granted under new rules.

The blocks in respect of which licenses were sanctioned are:-

1. Sivaganga area.Holalkere Taluk, one square mile granted to Mr. C.M. Tresslor. Order pending the issue of license, to work up the mine has been issued.

2. Keshavapur in Holalkere Taluk 4 square miles granted to Mr.C.M. Tresslor, rder pending the issue of license to work up the mine has been issued.

3. Karakurchi in Chiknayakanhalli Taluk, one square mile granted to Mr.Singri Nanjappa. Prospecting License No.644 has been granted with effect from 24th February 1925.

4. Hulihalli in Channagiri Taluk 4 square miles granted to Mr.C.B. Desai. Since no deposit and fee were paid as demanded, no license has been granted.

3. Quantity of Chrome mined.

1. According to the report, dated 26th March 1925, Mr. Schomburg has mined 1284 tons of ore.

2. In the quarterly statement ending 30th June 1925, it is seen that Mr. Adavappa has mined 380 tons of ore.

3. Mr. Burr has submitted a nil statement for the June quarter.

4. Quarterly report for June is awaited from Mr.Sripada Rao

4. Quantity of Manganese mined.

As per quarterly statement ending 30th June 1925, Mr. Singri Nanjappa has mined 550 tons of ore.

Mr. Tresslor has not yet submitted his quarterly statement.

5. Royalty paid on Chrome.

A sum of Rs.900/- was paid by Mr. Schomburg on 600 tons of Chrome Ore exported is the only item of royalty so far realised.

6. Royalty paid on Manganese.

Mr. Singri Nanjappa has mined about 550 tons of manganese ore and exported 143 tons. The royalty due on this has not yet been paid by him. This will be recovered in due course.

7. Share of profits paid for chrome.

On receipt of information from the Agent of Mr.Schomburg that he sold 600 tons of chrome to Messrs. Tata & Sons, Mr.Venkataramaiya was deputed Assistant Geologist to audit the accounts. As the sale proceeds of the ore sold is not known, the exact share of profits to be paid by him has not been decided. Mr. Schomburg has been written to about it and his reply is awaited.

8. Share of profits paid for Manganese.

As Mr. Singri Nanjappa is the only person was has export 143 tons of manganese ore the net profits due to Government will have to be decided in due course of time

As regards your D.O.No.I.C.210/Geol., dated 7th July 1925 I am to state that the licensees submit their quarterly statement furnishing information regarding the quantity of ore mined and actu ly sold and exported and the royalty is realised according to rate of royalty fixed under Schedule A for Manganese and Chrome prescribed in the rules for the grant of prospecting license mining leases.

The profits payable by the licensees can only be fixed after auditing the accounts of the licensees and that will be a task whi will prove to be difficult and unsatisfactory.

I have the honour to be,
Sir,
Your most obedient servant,

B Fayram

Director,
Mysore Geological Department.

C.N.